



# APPLICATION FOR COAL BED METHANE WELL PERMIT

State Form 54785 (R / 8-12) / Form A15

Approved by State Board of Accounts, 2012

INDIANA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL AND GAS  
402 W. Washington St., Rm. 293  
Indianapolis, IN 46204  
Telephone number: (317) 232-4055  
Fax number: (317) 232-1550  
<http://www.in.gov/dnr/dnroil>



FOR STATE USE ONLY		
Application number <b>050726</b>	Permit number <b>56009</b>	Date received (month, day, year) <b>4/8/21</b>
Date approved (month, day, year)	Approved by	
IGS identification number <b>168206</b>	IGS samples <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	IGS pool name <b>Carlisle NAS</b>
<b>PART I GENERAL INFORMATION</b>		
Name of operator Pioneer Oil Company, Inc.	Telephone number ( 812 ) 494 -2800	Fax number ( 812 ) 494 -2508
Address of operator (number and street or PO Box) ( <input type="checkbox"/> Check here if this is a new address ) 400 Main Street		
City Vincennes	State IN	ZIP code 47591
Send permit to (Enter name and address) Brandi Stennett bstennett@pioneeroil.net	Telephone number ( 812 ) 494 -2809	Fax number ( 812 ) 494 -2508
<input checked="" type="checkbox"/> Check here if you would like to have the permit sent via FAX or email. Email address: bstennett@pioneeroil.net		
Applicant is (Check one only) <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Public corporation <input type="checkbox"/> Limited liability company <input checked="" type="checkbox"/> Corporation <input type="checkbox"/> Limited partnership		
<b>NOTE: Corporations, limited partnerships and limited liability companies must register with the Secretary of State. For further information about registration, contact the Corporations Division, Secretary of State at (317) 232-6576</b>		
Type of bond (Check one only) <input type="checkbox"/> Surety bond <input type="checkbox"/> Check <input type="checkbox"/> Blanket bond <input type="checkbox"/> Personal surety bond (Valid for Non-commercial gas wells only) <input type="checkbox"/> Certificate of deposit <input checked="" type="checkbox"/> Bond not required per IC 14-37-6-1		
<b>NOTES: A bond must accompany this application unless the operator has a valid blanket bond on file with the division or is exempt from bonding under IC 14-37-6-1. All bonds must be originals and an original Verification of Certificate of Deposit form must accompany CD's. Checks must be certified. The bond amount for individual wells is \$2,500 and for blanket bonds is \$45,000.</b>		
Well type (Check one only) <input checked="" type="checkbox"/> Coal Bed Methane - Check the boxes below beside items that are attached to the application: <input type="checkbox"/> Non-Commercial Coal Bed Methane - Check the boxes below beside items that are attached to the application: <input type="checkbox"/> Form A12 - Coal Owner's and Coal Lessee's Consent Forms (Coal is leased), <input checked="" type="checkbox"/> Form A14 - Coal Owner's Consent Form (Coal is not leased), <input type="checkbox"/> Notices of Intent to Apply for a CBM permit and Affidavit of No Waste of Coal Resources or Miner Endangerment with Proof of Service to Coal Owner and Coal Lessee if no Consent Forms are attached (See Application Reminders), <input checked="" type="checkbox"/> Notice of Intent to Survey with Proof of Service to Surface Owner (Required for every application), <input type="checkbox"/> Well Stimulation Plan; OR <input checked="" type="checkbox"/> Well will not be stimulated, <input type="checkbox"/> Horizontal Drilling Plan (If applicable), <input type="checkbox"/> Plugging Plan for Horizontal Well (If applicable). <input checked="" type="checkbox"/> Statement of Protection of Coal for Future Underground Mining (Required for every application)		
Application type (Check no more than two) <input checked="" type="checkbox"/> New well <input type="checkbox"/> Old well workover <input type="checkbox"/> Old well deepening <input type="checkbox"/> Horizontal well sidetracking <input type="checkbox"/> Conversion <input type="checkbox"/> Change of location <input type="checkbox"/> Change of operator (Complete PARTS I, II, VI and VII indicating lease lines and drilling unit boundaries, only unless another application type is also checked) <input type="checkbox"/> Permit renewal (Complete PARTS I, II and VI only unless another application type is also checked) <b>Note: A \$250 permit fee is required.</b>		
Fee Payment Method <input checked="" type="checkbox"/> Check <input type="checkbox"/> Credit Card (Attach credit card information on separate page or provide contact number: ( ) - )		
Former operator (If applicable) <b>Division of Oil &amp; Gas</b>		Former Permit number (If applicable)



PART II SURFACE LOCATION AND LEASE INFORMATION									
Name of lease Clements CBM					Well number #1			Elevation (G.L.) 492	
Township 6N	Range 9W	Land type Section Land number: 1	¼ SW	¼ NW	¼ NW	Footages: 284 ft. from <input type="checkbox"/> N, <input checked="" type="checkbox"/> S, <input type="checkbox"/> NW, <input type="checkbox"/> SE line 150 ft. from <input type="checkbox"/> E, <input checked="" type="checkbox"/> W, <input type="checkbox"/> NE, <input type="checkbox"/> SW line			
County Sullivan			Distance to the nearest well capable of production from the same zone in which this well will be completed: 990+ feet						
Drilling unit acreage (Check one only) <input type="checkbox"/> 40 acres <input checked="" type="checkbox"/> Other _____ N/A acres (Attach unit exception or petition for exception and supporting documentation)					<input type="checkbox"/> Check here if acreage is communitized (pooled)  NOTE: Attach a copy of the unit agreement or declaration of pooling. If previously submitted identify the permit number under which it was submitted: Permit No.				
Lease acreage 999 Acres		Does operator own or control the rights to drill and produce coal bed methane in and under all land(s) within the drilling unit boundary and the lease acreage herein indicated and shown on the attached Survey? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, explain the basis upon which the operator claims the right to drill and produce coal bed methane under this permit. Describe the documents that convey the rights by type and date of execution.							
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No		Does this application include a Notice of Intent to Survey and proof of delivery to the surface owner?							

PART III PROPOSED WELL CONSTRUCTION								
<input type="checkbox"/> Check here and go to PART IV if the well presently exists and the construction will not change								
Enter casing strings from largest to smallest and enter the cement information on successive rows for a casing string that will be set using multiple cement stages.								
Casing Information					Cementing Information			
Casing Size (OD)	Casing Type	Casing Bottom	Casing Top	Hole Size	Cement Type	Cement Volume	Volume Type	Cement Yield
8.625	Surface	100 ft.	0 ft.	12.25	Class A	50	Sacks	1.15
5.5	Long String	248 ft.	0 ft.	7.875	Class A	50	Sacks	1.15
		ft.	ft.					
		ft.	ft.					
Packer setting depth _____ ft.				Centralizers at _____ as required ft. _____ ft. _____ ft. _____ ft.				
Packer setting depth _____ ft.				Casing perforated From _____ ft. to _____ ft.				
Packer setting depth _____ ft.				From _____ ft. to _____ ft.				
				From _____ ft. to _____ ft.				
				From _____ ft. to _____ ft.				

PART IV DRILLING AND OPERATIONAL INFORMATION			
Section a All Wells			
Declination type (Check one only) <input checked="" type="checkbox"/> Vertical <input type="checkbox"/> Directional <input type="checkbox"/> Horizontal		Note: For Directional & Horizontal wells the surface spot and termination point of the well must be shown on the survey.	
Proposed total vertical depth 261 feet (All wells)		Proposed measured length _____ feet (Horizontal wells only)	
Name of deepest formation to be drilled Coal V Springfield			
Name of deepest coal seam targeted Coal V Springfield			
<input checked="" type="checkbox"/> Pool (Name): Carlisle NAS Or <input type="checkbox"/> Wildcat			

NAMES AND MAILING ADDRESSES OF THE SURFACE OWNER, COAL OWNER(S), COAL LESSEE(S):					
Type Recipient	Name	Address	City	State	Zip code
Surface Owner	Joseph Clements	1804 E. CO Road 1 SE	Carlisle	IN	47838
Coal Owner	Joseph Clements	1804 E. CO Road 1 SE	Carlisle	IN	47838
Coal Lessee					

Division of Oil & Gas

Continued on the next page

**PART V****PROPOSED WELL DIAGRAM****NOTE:** This diagram is required for Coal Bed Methane wells.**WELL CONSTRUCTION**

<b>Surface casing</b>		
Setting depth	100	feet
Size (OD)	8.62	in.
<b>Hole size</b>	12.25	in.
Cement top	0	feet
Cubic feet	57	

<b>Intermediate casing</b>		
Setting depth		feet
Size (OD)		in.
<b>Hole size</b>		in.
Cement top		feet
Cubic feet		

<b>Long string</b>		
Setting depth	248	feet
Size (OD)	5.5	in.
<b>Hole size</b>	7.88	in.
Cement top	0	feet
Cubic feet	57	

<b>Liner</b>		
Setting depth		feet
Size (OD)		in.
<b>Hole size</b>		in.
Cement top		feet
Cubic feet		

<b>Centralizers</b>		
as required per regulations	ft	
	ft	
	ft	
	ft	
	ft	

<b>Cement squeeze</b>		
Perf. From	ft. to	ft
Cubic feet		

<b>Tubing</b>		
Setting depth	254	feet
Size (OD)	2.375	in

<b>Packers</b>		
Setting depth		feet
Setting depth		feet
Setting depth		feet

<b>Perforations</b>		
From	ft. to	ft
From	ft. to	ft
From	ft. to	ft
From	ft. to	ft
From	ft. to	ft
From	ft. to	ft

**GEOLOGIC INFORMATION**

<b>Production zones (Top to bottom)</b>		
Name	Coal V Springfield	
Intervals From	254	to 261 ft.
Primary lithology (Check one)	<input checked="" type="checkbox"/> Coal <input type="checkbox"/> Other	
Name		
Intervals From		to ft.
Primary lithology (Check one)	<input type="checkbox"/> Coal <input type="checkbox"/> Other	
Name		
Intervals From		to ft.
Primary lithology (Check one)	<input type="checkbox"/> Coal <input type="checkbox"/> Other	
Name		
Intervals From		to ft.
Primary lithology (Check one)	<input type="checkbox"/> Sandstone <input type="checkbox"/> Limestone	
Intervals From		to ft.
Primary lithology (Check one)	<input type="checkbox"/> Coal <input type="checkbox"/> Other	
Name		
Intervals From		to ft.
Primary lithology (Check one)	<input type="checkbox"/> Coal <input type="checkbox"/> Other	

<b>Plugback depth</b>	feet
<b>Plugback type (Check all that apply)</b>	
<input type="checkbox"/> CIBP	<input type="checkbox"/> Cement
<input type="checkbox"/> Other (Explain below)	

<b>Total depth</b>	261 feet
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PART VI AFFIRMATION	
I affirm under penalty of perjury that the information provided in this application is true to the best of my knowledge and belief.	
Typed or printed name of operator or authorized agent Brandi Stennett	
Signature of operator or authorized agent Brandi Stennett	Date signed (month, day, year) 4/5/2021

### SPECIAL REQUIREMENTS

1. Incomplete applications will be returned to the operator **without** being processed.
2. **Only** those individuals whose signatures appear in PARTS V and VI of the Organizational Report may sign this form.
3. The name of the operator on this application and the name of the principal on the bond **must** be identical.
4. If you are applying for a Change of Operator permit you are certifying that you have conducted a good faith search for the current operator and said operator could not be located.
5. If you are applying for a new well permit, do not forget to include the **Notice of Intent to Survey** and proof of service required under IC 32-23-7-6.5 that must be sent to the surface owner at least five (5) days prior to entering onto the property for the purpose of surveying the well location. An example of the notice is available on the division's website under Publications/Notices and Examples.

### APPLICATION REMINDERS

#### PART I:

- Enter the name of the operator exactly as it appears on the Organizational Report.
- If you want to have a copy of the permit certificate faxed to you please check the appropriate box.
- Don't forget to register with the Indiana Secretary of State if you will operate as a Corporation, Limited Liability Company or Limited Partnership.
- Don't forget to attach the \$250 permit fee.
- If a Certificate of Deposit is selected as the Bond Type, don't forget to attach the original CD and original Verification of Certificate form.
- Check **all** of the appropriate boxes under Well Type to indicate which attachments are being submitted with this application. Required attachments **MUST** be included with the application or it will not be processed.
- If no Coal Owner and Coal Lessee (if coal is leased) consent forms are attached and if there is no copy of a written agreement that specifies other terms of notification of the operator's intent to drill a well for coal bed methane, the operator must send a **Notice of Intent to Apply for a CBM Permit** to the Coal Owner and Coal Lessee and submit a copy of the notice along with proof of service and an Affidavit of No Waste of Coal Resources or Miner Endangerment must accompany the application. An example of the Notice of Intent is available on the division's website under Publications/Notices and Examples.
- The Horizontal Drilling Plan and Plugging Plan for Horizontal Well must be submitted only if the proposed well declination is horizontal.
- If the proposed well will be stimulated, a Well Stimulation Plan must be submitted. Otherwise, check the box indicating that the well will not be stimulated.
- The Statement of Protection of Coal for Future Underground Mining must demonstrate that commercially minable coal outside of the coal bed methane production area is adequately protected for future underground mining.
- Examples of the required notices and affidavits may be found on the division's website under Publications – Notices and Examples.

#### PART II

- For this proposed coal bed methane well, be sure to indicate the distance to the nearest well capable of production from the same formation for which this permit is to be issued and make sure you check the rule requirements on well spacing to avoid placing the well an insufficient distance from an existing well.
- If you check the communitized box you must attach a copy of the pooling agreement or specify the permit number for the well under which the pooling agreement was previously submitted.
- If you check the Other box under the Drilling Unit section make sure to attach a copy of the exception.
- You must indicate that you own or control all of the coal bed methane within the proposed drilling unit before a permit can be issued. If you do not own or control all of the coal bed methane within the proposed drilling unit you must describe the basis upon which you claim the right to drill and operate a well for coal bed methane production.

#### PART III

- This part is used by the division to determine if your proposed well construction will meet the rule requirements. Please be sure to enter all information about the proposed construction so that it can be evaluated accurately.



#### PART IV

- For all wells, be sure to specify the proposed total vertical depth, name of the deepest formation to be drilled, lowest coal seam to be targeted and the pool name.
- For horizontal wells, be sure to specify the proposed measured length.
- Include the names and addresses of the surface owner, coal owner(s) and coal lessee(s).

#### PART V

- The well diagram must be completed for all Coal Bed Methane well applications.
- Indicate the proposed depths of **all** centralizers. Proof of cement should be submitted with the completion report and Form R12–Verification of Coal Seam Protection Report in the form of cement tickets or a cement bond log.

#### PART VI

- Applications that do not contain an original signature cannot be processed.
- The signature **must** match a signature shown in Parts VI or VII of the operator's Organizational Report.
- If this application is for a Change of Operator your signature in PART VI certifies that you could not obtain this permit through the permit transfer process **ONLY** because the former operator could not be located.

#### PART VII

- If a coal bed methane well is intended to be hydraulically fractured, on either the well survey plat or a separate map, plot the location of the proposed coal bed methane well, labeling the distances to the closest quarter-quarter section (or other land type) lines. Draw a 500 foot (or the estimated half length of the proposed hydraulic fracture plane) radius circle around the well location. Inside the circle, plot all known water wells and all oil or gas wells that are deep enough to intersect the coal seams and label the oil and gas wells with the assigned permit number.

**Important: A permit issued as a result of this application is a license to conduct an activity and does not convey any property rights to the permittee. Consequently, the permittee is solely responsible for acquiring any and all property rights necessary to use the permit for its stated purpose.**

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Continued on next page.

## PART VII

## SURVEY

**General Instructions**

Use a 1"=1000' scale

**Surveyor must complete the following:**

- Clearly indicate the section township, and range on the survey, spot the well and show the footages from the lines.
- Use the surveyor's notes to explain deviations from a standard location such as topography and irregular sections.

**Operator or authorized agent must complete the following:**

- For oil or gas wells, separately outline the boundary of both of the following using different colors or line styles:
  - the leased or communitized area; AND
  - the drilling unit allotment.
- For all Directional and Horizontal wells show the surface location, kickoff point, AND termination point of the well.
- For all Horizontal wells identify the points where each horizontal drainhole enters and departs the target zone.
- For Enhanced Recovery and Saltwater Disposal wells, draw a 1/4 mile radius circle around the proposed well, spot all other wells (plugged or unplugged) that intersect the proposed injection zone(s), and put the permit number of each well over the spot.

**NOTE: You must show the entire 1/4 mile radius circle around proposed Class II wells****SURVEYORS' NOTES:**

Elevation:

492 Feet

Pioneer Oil Co.

Sullivan County

Clements CBM #1 •

Lease

Drilling Unit N/A

21.0130.750

See attached map.

**SURVEYORS' SEAL:**

NAD 1983 UTM Zone 16N

UTMx: 467670m

UTMy: 4315750m

Enter UTM's in meters

R 9 E or W

**CERTIFICATION**

I hereby certify that to the best of my knowledge and belief, the proposed location of the above described well, fixed as the result of an instrument survey made by me in compliance with the requirements of the laws of Indiana, is truly and correctly set forth hereon.

Printed name of registered Indiana land surveyor

Brian R. Schuh

Signature of registered Indiana land surveyor

Brian R. Schuh

Date signed (month, day, year)

4-1-2021

Address (Street or PO, City, State, ZIP)

PO Box 160 323 West 3rd St. Mt. Carmel, IL 62863

Telephone number

(618) 262 - 8651

**Special PART VII Requirements**

- You should adjust the location of the center of the section on the diagram so that the entire set of information in the General Instructions shows on a single survey plat. (Example: If a horizontal well will begin in one section but terminate in another section, you should move the section center point so that portions of both sections appear on the plat.)
- Surveyor must be registered under IC 25-21.5. This form must contain an original signature and original seal.
- Coordinates should be based upon NAD 1983 Datum, Universal Transverse Mercator (UTM) Coordinate System, Zone 16N.



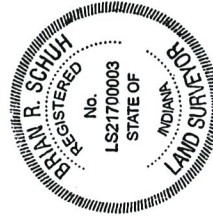
PIONEER OIL COMPANY  
 CLEMENTS CBM #1  
 SECTION 1, T.6N., R.9W.  
 OF THE 2ND P.M.,  
 SULLIVAN COUNTY, INDIANA

**LEGEND**

- CLEMENTS CBM #1
- SECTION LINE
- 1/4 SECTION LINE
- 1/4, 1/4 SECTION LINE
- ▨ LEASE

LOCATION UTMx UTMy ELEVATION  
 CLEMENTS CBM #1 487670m 4315750m 492'

LOCATION LATITUDE LONGITUDE ELEVATION  
 CLEMENTS CBM #1 38.990147°N 87.373309°W 492'



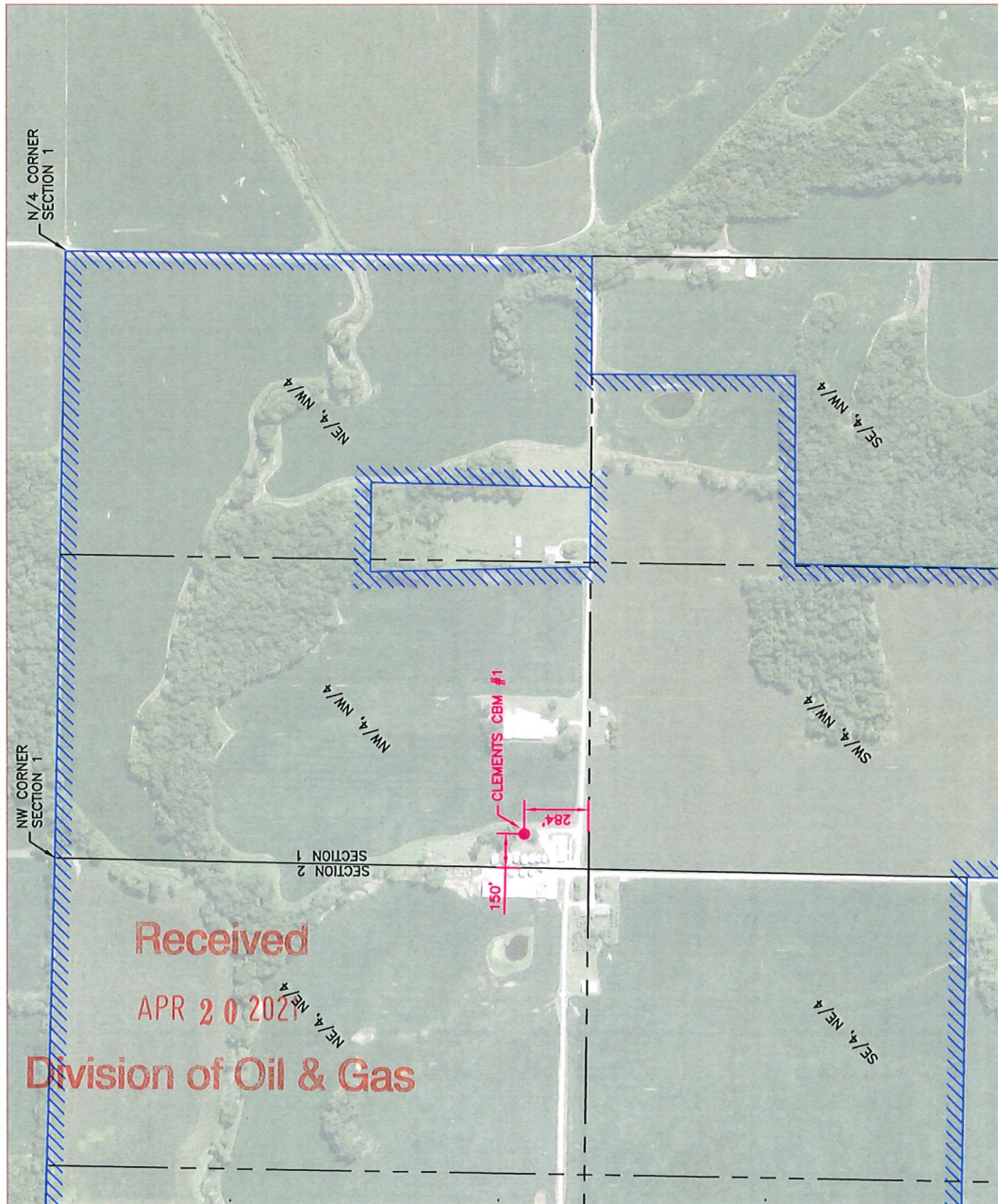
This map and the information shown on it is based on original government surveys, publication of survey monuments, field investigation of survey monuments, instrument and GPS field measurements, and survey analysis. This survey does not meet the minimum standards for a boundary survey in Indiana.

*Brian R. Schuh*  
 4-1-2021  
 BRIAN R. SCHUH, PLS #LS21700003  
 LICENSE EXPIRATION DATE JULY 31, 2022

PROJECT NO: 21.0130.750	
MT. CASHEL OFFICE	303 WEST HEND STREET
	P.O. BOX 140
	MT. CASHEL, ILLINOIS 62865
	PHONE: 618.262.8951
	FAX: 618.262.3327
Drawn By: BRS	Checked By: BRS
Date: 4/1/2021	Scale: 1" = 500'



BEARINGS BASED ON  
 NAD83 INDIANA WEST STATE  
 PLANE COORDINATE SYSTEM  
 0' 250' 500' 750'  
 SCALE 1" = 500'



Received  
 APR 20 2021  
 Division of Oil & Gas

- NOTES:
- 1) PLOTTED LEASE IS BASED ON SULLIVAN COUNTY GIS.



CONSENT TO WELL LOCATION

Pursuant to 312 IAC 29-13-1, the undersigned, Joseph L. Clements, Trustee of the Joseph L. Clements Revocable Trust, being the owner of all structures within 200 feet of the location of Pioneer Oil Company, Inc.'s proposed Clements CBM #1 coal bed or coal mine methane well located in Section 1, Township 6 North, Range 9 West, Sullivan County, Indiana, hereby consents to the location to be surveyed by Hampton, Lenzini and Renwick, Inc.

EXECUTED this 7 day of April, 2021.

Joseph L. Clements Revocable Trust

By: Joseph L. Clements  
Joseph L. Clements, Trustee

Received

APR 20 2021

Division of Oil & Gas



March 16, 2021

Clements Trust  
C/O Joseph L Clements  
1804 E CR 1 SE  
Carlisle, IN 47838

Dear Mr. Clements:

Please be advised that a surveyor will be staking a well on your property in the near future. The well, to be known as the Clements CBM #1, will be located:

Clements CBM #1  
Sec 1-Township 6 N-Range 9 W  
Sullivan County, Indiana

Pioneer Oil Company, Inc. hereby notifies you as the surface owner of those lands of our intention to have designated representatives enter that property for the purpose of surveying a drilling location for a well.

Sincerely,

Brandi Stennett  
Director of Regulatory Compliance

---

I acknowledge that I have received this notice of intent to enter my property for the purpose of surveying a drilling location without future notice and waive the five day notification period.

Surface Owner Signature

03/24/2021

Date

APR 8 2021

400 Main Street, Vincennes, IN 47591  
P 812-494-2800 | F 812-494-2508

Division of Oil & Gas





**COAL OWNER CONSENT (CBM)**  
**(For Use When Coal is Not Leased)**  
State Form 54784 (8-11) / Form A14-CNL

INDIANA DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL AND GAS  
402 W. Washington St., Rm. 293  
Indianapolis, IN 46204  
Telephone number: (317) 232-4055  
Fax number: (317) 232-1550  
<http://www.in.gov/dnr/dnroil>



FOR STATE USE ONLY		
Date received (month, day, year)	Date approved (month, day, year)	Approved by:

PART I COAL OWNER INFORMATION			
Name of coal owner Joseph Clements		Telephone number (812) 236-4444	
Address of coal owner (number and street or PO Box) 1804 E County Road 1 Southeast			
City Carlisle		State Indiana	ZIP code 47838 _

PART II PROPERTY AND COAL SEAM INFORMATION			
Parcel number 77-14-01-000-008.000-009		Coal seam(s): All Coal Seams	Acres 2.5 Acres
Township 6N	Range 9W	Land survey type Land survey number: Sec 1	County Sullivan
Parcel number 77-14-01-000-004.000-009		Coal seam(s): All Coal Seams	Acres 50 Acres
Township 6N	Range 9W	Land survey type Land survey number: Sec 1	County Sullivan
Parcel number		Coal seam(s):	Acres
Township	Range	Land survey type Land survey number:	County

PART III AFFIRMATION AND SIGNATURE	
I, the undersigned, affirm that I am the owner of the right to the coal on the above described parcel(s) and that I have given my consent to the extraction of the coal bed methane from said coal by Pioneer Oil Company, Inc.. I have not leased the coal for the purpose of coal mining and I acknowledge that the recovery of coal bed methane may result in waste of the commercially minable coal resources.	
Signature of coal owner 	Date signed (month, day, year) 4/14/2021
Name (printed or typed) Joe Clements	

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APR 20 2021  
Division of Oil & Gas

STATEMENT OF PROTECTION OF COAL FOR FUTURE

UNDERGROUND MINING

In accordance with IC 14-37-4-8(d)(4), Pioneer Oil Company, inc. declares that commercially minable coal outside of the coal bed methane production area that contains the proposed coal bed methane well, on Joe Clements lease, Clements CBM #1, is protected for future underground mining for the following reasons:

- ☒ No hydraulic fracturing will be performed on the #5 Springfield coal seam that will be used for coal bed methane production
- ☒ The proposed well is at least 500 feet (or the estimated or calculated fracture half length) inside of the outside boundary of the coal bed methane production area.
- ☒ The proposed well is not being drilled horizontally within the coal seam.

☐ Other (please specify)

Brandi Stennett

Print Name

Brandi Stennett

Signature

4-27-2021

Date





April 29, 2021

Via Email: [ARosales@dnr.IN.gov](mailto:ARosales@dnr.IN.gov)  
Indiana Department of Natural Resources  
Division of Oil & Gas  
Attn: Alicia M. Rosales  
402 West Washington St., Room 293  
Indianapolis, IN 46204

Re: Clements CBM #1; Sullivan County, IN

Dear Ms. Rosales:

In connection with our pending Application for Coal Bed Methane Well Permit, you have requested supplemental information concerning our anticipated equipping and utilization of the well post-completion.

Our intention is to drill and complete the well as set forth in the application into the mine void and then test the gas quantity and quality. The results of that testing will help inform our decisions regarding use, marketing and/or flaring of the gas encountered and prevent waste.. The gas volumes and composition will help determine whether it can be sold into the pipeline, blended with our other gas to achieve pipeline quality, used in our operations or flared. We plan to configure our infrastructure near the wellhead to provide flexibility to accommodate such different uses. The separate gas streams will be monitored for rate and composition, and valves installed to accommodate ongoing adjustment.

We are including a schematic diagram for illustrative purposes. With respect to this particular well, we do not anticipate that the gas would be used at our plant or in our operations, so it is unlikely that the "to equipment" line would be constructed. We anticipate that the gas from the Clements CBM #1 will be sold into the pipeline and/or flared.

We hope this adequately addresses your inquiry. Please let us know if anything further is required.

Respectfully,

*Brandi Stennett*

Brandi Stennett  
Director of Regulatory Compliance

**Received**

**APR 29 2021**

**Division of Oil & Gas**



April 6, 2021

Indiana Department of Natural Resources  
Division of Oil & Gas  
402 West Washington St., Room 293  
Indianapolis, IN 46204

Re: Clements CBM #1  
Sullivan County, IN

Dear Ms. Rosales,

Please find enclosed a permit application from Pioneer Oil Company, Inc. to permit a CBM well, Clements CBM #1, which is located over an abandoned coal mine formerly operated by Sunrise Coal, LLC. This mine has been officially classified as abandoned and therefore requires no protection of workable coal and presents no hazards to coal miner safety. While not required, we have included the former coal lessee's consent. Pioneer Oil Company, Inc. has coordinated the location and construction of this proposed well to penetrate the mine void CBM only. Finally, as this CBM well will be completed in a void created by mining out of a coal seam, it will be exempt from drilling unit and spacing requirements pursuant to 312 IAC 29-13-2.

Respectfully,

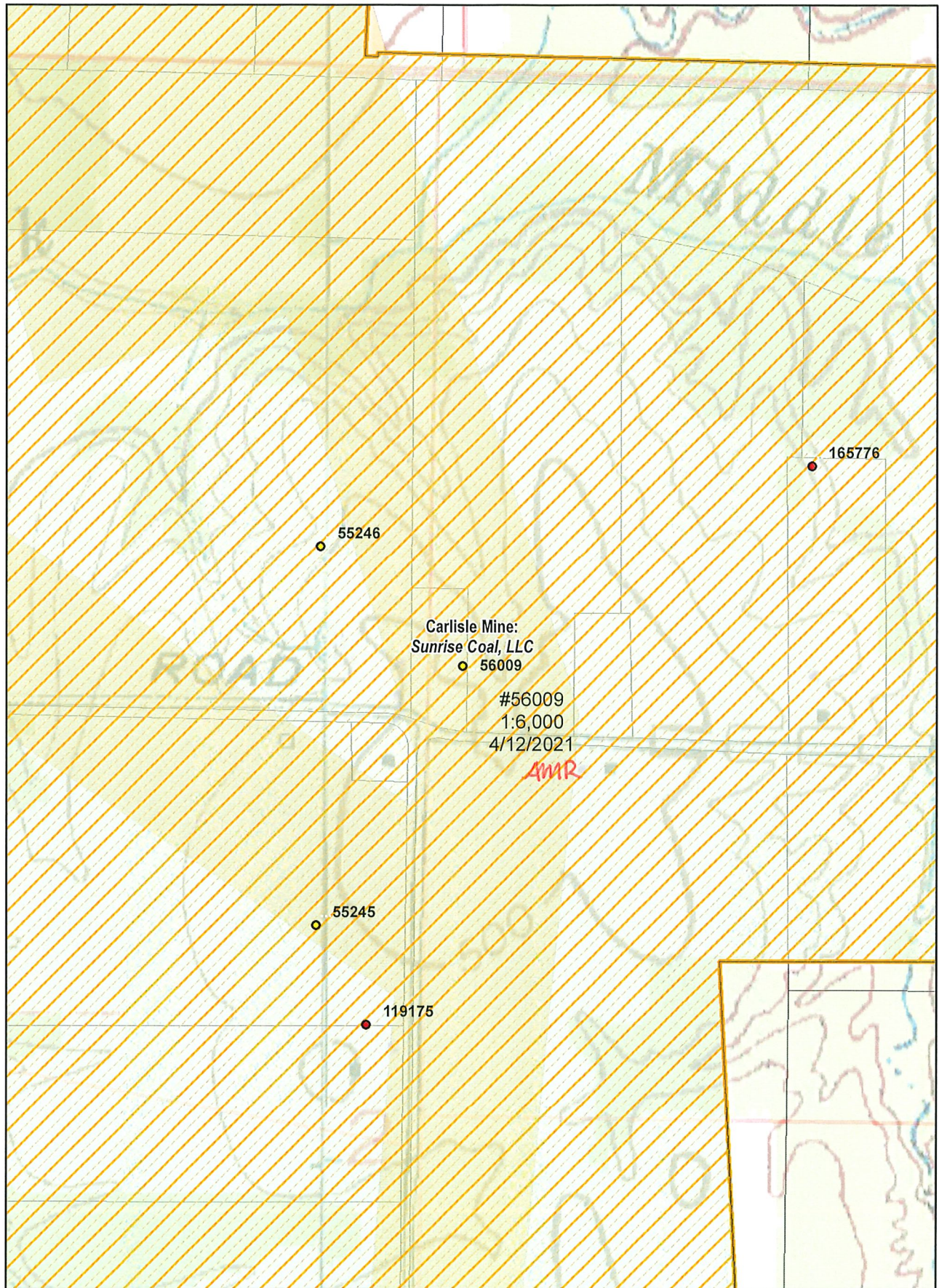
Brandi Stennett  
Director of Regulatory Compliance  
Pioneer Oil Company, Inc.

**Received**

APR 8 2021

**Division of Oil & Gas**





1:6,000